

EXECUTIVE SUMMARY  
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Minerals West, Inc.  
Mi Vida Mine

Section 11, Township 30 South, Range 24 East  
San Juan County, Utah  
ACT/037/028

ECOLOGY:

The vegetation at this mine site is typical of the Sagebrush desert community.

Current land uses of the area are uranium mining (four other mines exist in this section) and winter wildlife grazing.

STRUCTURES AND FACILITIES:

The mine area is staured with disturbances from old mining operations. No new disturbance is foreseen as Minerals West is using only abandoned facilities. Three inclines with associated spoil dumps, one shaft and access roads are to be used.

MINING AND RECLAMATION:

Minerals West, Inc. has committed specifically to the items listed below as well as the reclamation standards of Rule M-10 of the Utah Mined Land Reclamation Act.

During Operations;

1. Only pre-existing dumping areas, roads and surface facilities will be utilized.

After Operations;

1. The disturbed area will be seeded with a diverse grass-shrub seed mixture.

IMPACTS:

As the mining operation will utilize existing facilities in a highly impacted area, impacts should be negligible.

SURETY:

Reclamation surety is estimated at \$15,312.00, which includes 5% inflation for the 10 year proposed life of the mine. See the enclosed surety estimate.



#### LOCATION:

The Mi Vida Mine is located approximately 40 highway miles south of Moab, Utah within Section 11, Township 30 South, Range 24 East, San Juan County, Utah. The surface facilities are concentrated in an unnamed canyon south of Expectation Canyon, west of Big Indian Valley. Consult the enclosed map for location.

#### MINING METHOD:

The mine is a reactivation of the famous Mi Vida Mine of Mr. Charles A. Steen. Minerals West, Inc. plans to remove uranium-vanadium ore from areas adjacent to the underground workings, some of which are caved, by random room-and-pillar methods. One incline and associated spoil dump is presently in use on the Mi Vida property itself. The McCormick Drift and spoil pile directly down the canyon (sw) of the Mi Vida incline is owned by Atlas Minerals, and presently utilized only by Minerals West, Inc. The operation is also tied into the Expectation Canyon incline and dump; Atlas Minerals plans to use the facilities with Minerals West, Inc. in the future. The possibility of solution mining of the abandoned workings in the future is being considered; however, the plan will have to be amended at that time to do so.

#### SOILS AND GEOLOGY:

Soils tend to be thin and sandy in nature. As all operations occur on pre-existing facilities soil cannot be stockpiled.

The following geologic description is taken from a chapter of the "Guidebook to the Geology of Utah, Number 21, Uranium Districts of Southern Utah" written by R.E. Cohenour.

"The Mi Vida was the best mine in the district. The ore body is in the lower portion of the Moss Back Member of the Chinle Formation and lies between 6,200 and 6,600 feet on the west flank of the faulted Lisbon Valley anticline. The ore is conformable with the bedding which dips 9 degrees to the southwest. The main ore body lies within a scour or channel which is cut 25 feet into the underlying Cutler Formation. The ore ranges from a few to 35 feet in thickness for an average of 13 feet. The host rock is a fine-to medium-grained quartzose sandstone containing approximately 12 percent calcite cement. Higher grade ores commonly contain abundant carbon along with mudstone galls in a sandstone matrix. The main ore body was 3,000 feet long, 800 feet wide, and averaged 0.34%  $U_3O_8$ ."

#### HYDROLOGY:

No perennial streams occur near the site and groundwater is not expected to be encountered.